



MARK PESTRELLA, Director

**COUNTY OF LOS ANGELES  
DEPARTMENT OF PUBLIC WORKS**

*"To Enrich Lives Through Effective and Caring Service"*

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**ADOPTED**

IN REPLY PLEASE  
REFER TO FILE

December 18, 2018

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

40 December 18, 2018

CELIA ZAVALA  
EXECUTIVE OFFICER

Dear Supervisors:

**CONSTRUCTION-RELATED CONTRACT  
PUBLIC BUILDINGS CORE SERVICE AREA  
RANCHO LOS AMIGOS CAMPUS PROJECTS  
AWARD CONSULTANT SERVICES AGREEMENTS  
AWARD SUPPLEMENTAL AGREEMENT  
APPROVE APPROPRIATION ADJUSTMENT  
(SUPERVISORIAL DISTRICT 4)  
(4 VOTES)**

**SUBJECT**

Public Works is seeking Board approval to authorize consultant services agreements to provide project management/construction management support, project controls support services, executive campus architect services, conceptual design services, and to pay stipends; to authorize the issuance of short-term lease revenue notes to fund the recommended actions; and to approve an appropriation adjustment.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the recommended actions related to the proposed Rancho Los Amigos South Campus project are not a project under the California Environmental Quality Act for the reasons stated in this letter and in the record of the proposed activity.
2. Establish capital projects for the following Rancho Los Amigos Campus projects: Internal Service Department New Headquarters, Capital Project No. 67970; Probation Department New Headquarters, Capital Project No. 67971; and Environmental Documents, Capital Project No. 67972.

3. Award and authorize the Director of Public Works or his designee to execute a consultant services agreement for project management/construction management support services with Rancho South Campus Partners for a \$5,227,000 not-to-exceed amount and a consultant services agreement for project controls support services with Rancho South Controls Partners for a \$2,258,000 not-to-exceed amount and to establish the effective date of these agreements following Board approval.

4. Award and authorize the Director of Public Works or his designee to execute Supplemental Agreement 2 for a \$460,000 not-to-exceed amount to Environmental Science Associates, Agreement PW 15086, to provide additional environmental consultant services and to establish the effective date.

5. Authorize the Director of Public Works or his designee to execute consultant services agreements for conceptual design services and pay stipends in the amount of \$350,000 each to the second and third highest ranked qualifying proposers that are not selected as the best value design builder (or to the top three highest ranked, qualifying proposers if no design-build contract is awarded) for the proposed Internal Services and Probation Departments Headquarters project components, and in the amount of \$25,000 each to the second and third highest ranked qualifying proposer that are not selected (or to the top three highest ranked, qualifying proposers if no design-build contract is awarded) for the Sports Center project. These stipends will enable the County to use all design and construction ideas and concepts that will be included within each of the proposals.

6. Authorize the issuance of short-term notes through the Los Angeles County Capital Asset Lease Corporation Lease Revenue Note Program in the amount of \$8,150,000 and approve an Appropriation Adjustment to finance the proposed actions described above for the following proposed Rancho Los Amigos South Campus project components: \$4,365,000 to the Internal Services Department New Headquarters, Capital Project No. 67970, \$3,325,000 to the Probation New Headquarters, Capital Project No. 67971; and \$460,000 to the Environmental Documents, Capital Project No. 67972.

7. Award and authorize the Director of Public Works or his designee to execute a consultant services agreement for executive campus architect services with Perkins Eastman Architects, D.P.C., for a \$1,500,000 not-to-exceed amount and to establish the effective date of the agreement following Board approval.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of the recommended actions will find that these actions are not considered a project under the California Environmental Quality Act (CEQA); authorize Public Works to execute consultant services agreements for project management/construction management (PM/CM), project controls support, and executive campus architect services; authorize Supplemental Agreement 2 to Environmental Sciences Associates (ESA) for additional environmental consulting services for the proposed Rancho Los Amigos South Campus (RLASC) project; authorize Public Works to execute consultant services agreement for conceptual design services and pay stipends in the amount of \$350,000 each to the second and third highest ranked qualifying design build proposers for the Internal Services Department (ISD) and Probation Department Headquarters project, and \$25,000 each to the second and third highest ranked qualifying design-build proposers for the Sports Center project; authorize issuance of short-term lease revenue notes; and approve an appropriation adjustment.

The RLASC is located at 7601 East Imperial Highway in the City of Downey. The proposed project will include the new headquarters buildings for ISD and Probation, the necessary infrastructure improvements to support the new buildings, and demolition of vacant buildings throughout the RLASC. The Chief Executive Office (CEO) will pursue opportunities to relocate additional administrative staff from other departments, should there be available space in the building once it is completed.

On May 30, 2017, the Board established capital projects for the various RLASC project components: Probation Headquarters, Capital Project (C.P.) No. 69824; ISD Headquarters, C.P. No. 69823; and Infrastructure, C.P. No. 69825, and authorized the execution of a consultant services agreement with ESA for executive campus environmental consultant services, including the preparation of a project Environmental Impact Report (EIR).

### Current Progress

Since May 2017, Public Works has completed site investigations at the RLASC, including geotechnical and hazardous materials surveys; the validation of the building programs; and the preparation of scoping documents for the ISD and Probation Headquarters and the Sports Center project. The program validation included a detailed analysis of the programs and services each Department would provide at the RLASC, with an emphasis on consolidating services and providing open, collaborative work environments.

In addition, Public Works has completed solicitations for project-specific consultant services agreements for PM/CM support and project controls support services for the proposed RLASC project. Concurrently, Public Works has completed solicitation for executive campus architect services for the entire Rancho Los Amigos North and South Campuses.

Public Works is in the process of procuring design-build services for the RLASC Sports Center project, which was established and approved by the Board in November 2016 with a total project budget of \$10,000,000. We anticipate returning to the Board with a recommendation to award a design-build agreement in the first quarter of 2019.

On September 4, 2018, the Board established the Crisis Residential Treatment Program (CRTP) project, C.P. No. 69871, and Skilled Nursing Facility (SNF) and Recuperative Care Center (RCC) projects, C.P. No. 87480, at Rancho Los Amigos National Rehabilitation Center (RLANRC).

The CEO, Public Works, Health Services, and Mental Health have been working on preliminary programming services, feasibility studies, and site analysis for the RCC, CRTP, and SNF projects. Environmental documentation is also underway. We anticipate returning to the Board in the summer of 2019 for approval of project budgets and project delivery plan and to certify and adopt the addendum EIR.

### Proposed Project Delivery Method

Public Works is proposing to deliver the ISD and Probation Headquarters and Sports Center using the design-build project delivery method. The ISD and Probation Headquarters buildings and associated utilities and parking structure, part of the proposed RLASC project, would be solicited as a single design-build package with the previously approved Sports Center as an additional separate

design-build solicitation. Using separate contracts will allow Public Works to procure the services of design-build teams who specialize in the delivery of each project/building type.

Consistent with the Board-adopted design-build policy, stipends will be provided to the second and third highest ranked qualified proposers that are not selected as the best value design builder (or top three highest ranking qualified proposers if no design build contract is awarded) via consultant services agreements allowing the County to use the information and ideas submitted by the proposers. Public Works is proposing a stipend in the amount of \$350,000 for the ISD and Probation Headquarters project components and \$25,000 for the Sports Center project component.

We will return to the Board to certify and adopt the EIR, approve the proposed RLASC project, and award the design build agreement for the proposed ISD and Probation Headquarters projects.

#### Proposed Consultant Services Agreements

##### PM/CM Services (RLASC projects):

Awarding the PM/CM to Rancho South Campus Partners will enable Public Works to complete pre-development activities by augmenting its staff with consultants who have the technical and subject matter expertise. The PM/CM consultants will assist with the review of project scoping documents during pre-development, completion of the EIR, community and public outreach, procurement of design-build teams, and construction management.

##### Project Controls Support Services (RLASC projects):

Awarding the project controls support services agreements to Rancho South Controls Partners will enable Public Works to complete pre-development activities by augmenting its staff with consultants who have the technical and subject matter expertise. The project controls consultants will assist with establishing project controls such as project schedules and budgets, project documentation, and project closeout services.

##### Executive Campus Architect Services (Campuswide and RLANRC projects):

Awarding the executive campus architect agreement to Perkins Eastman Architects, D.P.C., will allow Public Works to proceed with campus planning, programming, scoping, design, and construction administration services for the proposed RCC, CRTP, and SNF on RLANRC. The scope of work for the projects would include site planning, feasibility studies, program validation, scoping documentation, as well as permitting and construction administration for modular building site adaptation, utility connections, and accessibility elements.

We will return to the Board to award any future agreements with Perkins Eastman on the Rancho Los Amigos North or South Campuses as appropriate.

##### Proposed Supplemental Agreement 2 to ESA's Agreement (RLASC projects):

On May 30, 2017, the Board awarded an agreement with ESA to prepare an EIR for the proposed project for a \$1,000,000 not to exceed fee. Since that time, ESA has been proceeding with the preparation of the draft EIR for the proposed RLASC project.

On March 28, 2018, Public Works executed Supplemental Agreement 1 with ESA for \$59,060 under delegated authority for additional services including additional historic resource assessment and

traffic studies at the request of adjacent cities and jurisdictions.

These services were required due to arson at the Men's Psychiatric Ward, Harriman House, and the Oil and Storage Buildings within RLASC. These buildings were originally deemed to be contributors to the RLASC Historic District, and further historic resource assessment by ESA was required to study the impact of the fire damage on these buildings and to determine the best course of action.

Additionally, ESA was requested to expand the scope for the traffic study being prepared for the RLASC EIR. After consultation with the Cities of Downey and South Gate, additional critical street intersections were identified, which will need to be included in the final traffic study.

Supplemental Agreement 2 will task ESA with updating feasibility reports for RLASC existing structures, which had been previously prepared in 2009 by another firm. The updated information will be used to evaluate project alternatives for the proposed RLASC project, including the potential adaptive reuse of existing structures.

To cover the cost of these feasibility report updates and potential unforeseen activity, Public Works recommends increasing ESA's contract by an additional \$460,000.

The draft EIR is scheduled to be circulated in the first quarter of 2019, with the final EIR to be completed in the second quarter of 2019.

#### Green Building/Sustainable Design Program

The various building projects being carried out as part of the RLASC project will support the Board's Green Building/Sustainable Design Program by obtaining a United States Green Building Council Leadership in Energy and Environmental Design Gold Certification or higher. The projects will incorporate design and construction sustainable features to optimize energy and water use, enhance the sustainability of the site, improve indoor environmental quality, and maximize the use and reuse of sustainable and local resources while considering long-term maintenance.

#### **Implementation of Strategic Plan Goals**

The County Strategic Plan directs the provision of Strategy II.1, Drive Economic and Workforce Development in the County, Objective II.1.2, Support Small Businesses and Social Enterprises, and Strategy III.3, Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability. The proposed RLASC project supports these goals by replacing some County facilities that have exceeded their useful lives and can no longer be supported or maintained. The new replacement facilities will enhance operational efficiency by consolidating County services in RLASC. The proposed RLASC project will provide contracting opportunities that will support small businesses and social enterprises and that could potentially employ local, targeted workers.

#### **FISCAL IMPACT/FINANCING**

On August 9, 2016, the Board authorized predevelopment activities associated with the proposed RLASC project totaling \$9,250,000. The preliminary total project cost for the RLASC project was estimated at \$468,200,000.

On May 30, 2017, the Board established capital projects for the various RLASC project components: Probation Headquarters, C.P. No. 69824; ISD Headquarters, C.P. No. 69823; and Infrastructure, C.P.

No. 69825, funded by Fourth Supervisorial District net County cost. Approval of the recommended action to establish three new capital projects (C.P. No. 67970, C.P. No. 67971, and C.P. No. 67972) will allow tracking of project expenditures under a separate fund established to properly account for the funding of these capital projects through tax-exempt, short-term lease revenue notes.

The proposed contracts with Rancho South Campus Partners, Rancho South Controls Partners, and Perkins Eastman Architects, D.P.C., for PM/CM and support services, project controls support, and executive campus architect services are for a \$5,227,000, \$2,258,000, and \$1,500,000 not-to-exceed amounts, respectively. The recommended Supplemental Agreement 2 to ESA's Agreement PW 15086 is for a \$460,000 not to exceed amount.

The cost of the proposed consultant service agreements with Rancho South Campus Partners and Rancho South Controls Partners, the Supplemental Agreement 2 with ESA, and the proposed stipends for the RLASC project would be funded initially with short-term notes through the Los Angeles County Capital Asset Lease Corporation Lease Revenue Note Program (the "Note Program", also known as Commercial Paper Program). The costs of financing through the Note Program include interest, insurance, administrative costs, and letter of credit fees, would be funded from each Department's operating budget. The short-term borrowing through the Note Program will eventually be refinanced through the issuance of long-term bonds with the proceeds used to fund a redemption of the outstanding lease revenue notes and the remainder of the project costs.

Approval of the enclosed appropriation adjustment in the amount of \$8,150,000, financed by short-term lease revenue notes, will fund the cost of the proposed consultant service agreements and the proposed stipends for the following proposed RLASC project components: \$4,365,000 to the ISD New Headquarters, C.P. No. 67970; \$3,325,000 to the Probation New Headquarters, C.P. No. 67971; and \$460,000 to the Environmental Documents, C.P. No. 67972. There is no impact to the General Fund from this Board action.

The cost of the proposed executive campus architect services agreement for the proposed RCC and SNF on the RLANRC will be funded by the Department of Health Services' operating budget. The Department of Mental Health will fund the proposed CRTP through the reinstated Senate Bill 82 California Health Facilities Financing Authority grant funds.

## **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The proposed consultant services agreements and supplemental agreement have been approved as to form by County Counsel. The recommended contracts were solicited on an open-competitive basis and are in accordance with applicable Federal, State, and County requirements.

The consultant services agreements contain terms and conditions requiring the consultant firms to track subcontractors' utilization of Local Small Business Enterprise, Disabled Veterans Business Enterprise and Social Enterprise businesses.

The consultants were selected upon final analysis and consideration without regard to race, creed, gender, or color.

The consultant services agreements contain terms and conditions supporting the Board's ordinances and policies, including, but not limited to: Child Support Compliance Program; Contractor Responsibility and Debarment; Contractor Employee Jury Service Program; Defaulted Property Tax Reduction Program; County's Greater Avenues for Independence and General Relief Opportunities for Work (GAIN/GROW); Reporting of Improper Solicitations; Contract Language to Assist in

Placement of Displaced County Workers; and Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law).

## **ENVIRONMENTAL DOCUMENTATION**

The award of the recommended consultant services agreements for the proposed RLASC project does not constitute a project pursuant to the Public Resources Code Section 21065 or Section 15378(b)(4) and (5) of the State CEQA Guidelines. The proposed activities of executing consultant services agreements for project management/construction management, project controls support services, executive campus architect services, stipends, and the execution of a supplemental agreement for additional EIR services are not included in the definition of a project and are excluded from the definition of a project as organizational or administrative activities of government, which will not result in direct or indirect physical changes in the environment. The recommended activities do not involve any commitment to a specific project, which may result in a potentially significant impact on the environment and it can be seen with certainty that there is no potential that the activities have the potential for causing a significant effect on the environment.

By authorizing the recommended actions, the County is not approving or committing to the implementation of any project under CEQA. Prior to commencing any activity that would constitute a project under CEQA, appropriate environmental findings will be recommended to the Board for consideration.

On November 22, 2016, the Board determined the RLASC Sports Center project was categorically exempt from CEQA pursuant to Sections 15301(I); 15331, Class 31; and 15332 of the State CEQA Guidelines, and Class 1(h) of Appendix G of the County's Environmental Document Reporting Procedures and Guidelines.

## **CONTRACTING PROCESS**

PM/CM and Project Controls Support Services:

On May 25, 2017, Public Works issued a request for proposal (RFP) and advertised these contracting opportunities on the County's "Doing Business with Us" and Public Works "Business Opportunities" websites for PM/CM and project controls support services. On June 8, 2017, a mandatory pre-proposal conference was held to discuss the extent of services and provide small business outreach opportunities. Sixty-one firms attended the conference; 35 were small business firms. Public Works reached out to non-Local Small Business Enterprises (LSBE) and/or SBE firms to inform them and their subconsultants of the benefits of being a certified LSBE and to encourage them to become an LSBE, if eligible. In addition, to encourage equity participation by small businesses, these solicitations provided incentives for a minimum of 20 percent equity partnerships with small businesses.

On July 19, 2017, four firms submitted proposals for PM/CM support services and six firms submitted proposals for project controls support services. Evaluation committees composed of staff from the CEO, Public Works, Sheriff's, ISD, and Probation Departments evaluated each proposal on the proposed staff qualification and experience, the firm's qualifications and experience, expertise in providing specific services, work plan, and understanding of the work requirements in the RFP. Based on the review and evaluation of these proposals and interviews, Rancho South Campus Partners was selected as the most qualified firm to provide the PM/CM services.

For project controls services, the top ranked proposer, Rancho Los Amigos Project Control Specialists, was disqualified because one of its team members had assisted in the preparation of a portion of the solicitation documents. Therefore, it is recommended that the Board award a contract to Rancho South Controls Partners, the second highest ranked proposer.

Rancho South Campus Partners provided a 25 percent small business partnership and Rancho South Controls Partners provided an 80 percent small business partnership.

The PM/CM and project controls support services agreements include a cost-of-living adjustment provision in accordance with Board Policy No. 5.070.

**Executive Campus Architect Services:**

On June 29, 2017, Public Works issued an RFP and advertised this contracting opportunity on the County's "Doing Business with Us" website for executive campus architect services.

On August 3, 2017, two firms submitted proposals. An evaluation committee composed of staff from the CEO and Public Works evaluated each proposal on the proposed staff qualification and experience, the firm's qualifications and experience, expertise in providing specific services, work plan, and understanding of the work requirements in the RFP. Based on the review and evaluation of these proposals, Perkins Eastman Architects, D.P.C., was selected as the most qualified firm to provide the executive campus architect services.

**Supplemental Agreement 2 to ESA's Agreement PW 15086:**

On May 30, 2017, the Board awarded an agreement with ESA to prepare an EIR for the proposed project for a \$1,000,000 not-to-exceed fee. On March 28, 2018, Public Works executed Supplemental Agreement 1 with ESA for \$59,060 under Section 2.18.030 of the County Code for additional services. The proposed Supplemental Agreement 2 to Agreement PW 15086 is for a \$460,000 not-to-exceed amount and will increase the overall contract amount to \$1,519,060.

ESA's Community Business Enterprise participation data and 3-year contracting history are on file with Public Works.

Standard contracts, in the form previously approved by County Counsel, will be used. The standard Board-directed clauses that provide for contract termination, renegotiation, and hiring qualified displaced County employees are included in the contract.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

There will be no impact on current County services or projects during the performance of the recommended actions.

**CONCLUSION**

Please return one adopted copy of this Board letter to the Public Works, Project Management Division II.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark Pestrella". The signature is fluid and cursive, with the first name "Mark" and last name "Pestrella" clearly distinguishable.

MARK PESTRELLA  
Director

MP:VY:cl

Enclosures

c: Auditor-Controller  
Chief Executive Office (Capital Programs  
Division)  
County Counsel  
Executive Office  
Internal Services Department  
Probation Department  
Sheriff's Department  
Department of Public Social Services  
(GAIN/GROW)

December 18, 2018

COUNTY OF LOS ANGELES

### REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF CHIEF EXECUTIVE OFFICE

**AUDITOR-CONTROLLER:**

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HER RECOMMENDATION OR ACTION.

**ADJUSTMENT REQUESTED AND REASONS THEREFORE  
FY 2018-19  
4 - VOTES**

SOURCES		USES	
LRON-GENERAL FACILITIES CAPITAL IMPROVEMENT <b>ISD NEW HEADQUARTERS</b> J22-CP-94-9276-65065-67970 LEASE REVENUE OBLIGATION NOTES/CAPITAL PROJECTS <b>INCREASE REVENUE</b>	<b>4,365,000</b>	LRON-GENERAL FACILITIES CAPITAL IMPROVEMENT <b>ISD NEW HEADQUARTERS</b> J22-CP-6014-65065-67970 CAPITAL ASSETS - B & I <b>INCREASE APPROPRIATION</b>	<b>4,365,000</b>
LRON-GENERAL FACILITIES CAPITAL IMPROVEMENT <b>PROBATION NEW HEADQUARTERS</b> J22-CP-94-9276-65065-67971 LEASE REVENUE OBLIGATION NOTES/CAPITAL PROJECTS <b>INCREASE REVENUE</b>	<b>3,325,000</b>	LRON-GENERAL FACILITIES CAPITAL IMPROVEMENT <b>PROBATION NEW HEADQUARTERS</b> J22-CP-6014-65065-67971 CAPITAL ASSETS - B & I <b>INCREASE APPROPRIATION</b>	<b>3,325,000</b>
LRON-GENERAL FACILITIES CAPITAL IMPROVEMENT <b>RLASC ENVIRONMENTAL DOCUMENTS</b> J22-CP-94-9276-65065-67972 LEASE REVENUE OBLIGATION NOTES/CAPITAL PROJECTS <b>INCREASE REVENUE</b>	<b>460,000</b>	LRON-GENERAL FACILITIES CAPITAL IMPROVEMENT <b>RLASC ENVIRONMENTAL DOCUMENTS</b> J22-CP-6014-65065-67972 CAPITAL ASSETS - B & I <b>INCREASE APPROPRIATION</b>	<b>460,000</b>
<b>SOURCES TOTAL</b>	<b>\$ 8,150,000</b>	<b>USES TOTAL</b>	<b>\$ 8,150,000</b>

**JUSTIFICATION**

Adjustment is required to fund the project expenditures for the Rancho Los Amigos South Campus project components as follows: \$4,365,000 for the ISD New Headquarters, C.P. No. 67970, \$3,325,000 for the Probation New Headquarters, C.P. No. 67971, and \$460,000 for the Environmental Documents, C.P. No. 67972.

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

# 40

DEC 18 2018

*James Yun*  
AUTHORIZED SIGNATURE

JAMES YUN, ACTING MANAGER, CEO

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

*Celia Zavala*  
CELIA ZAVALA  
EXECUTIVE OFFICER

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR---

- ACTION
- RECOMMENDATION

AUDITOR-CONTROLLER

BY *Larson*

B.A. NO. 080

DATE *Dec. 7, 2018*

APPROVED AS REQUESTED

APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

*[Signature]*  
BY

DATE *12-7-18*